

First Union Rail Corporation

One O'Hare Center
6250 River Road, Suite 5000
Rosemont, Illinois 60018-4214
847 318-7575
Fax 847 318-7588

RECORDATION NO. 20966 FILED

OCT 28 '97

10-29 AM



October 23, 1997

VIA FEDERAL EXPRESS

Surface Transportation Board
Attn: Jan Fort
1925 K Street, N.W.
Room 704
Washington, D.C. 20423-0001

Re: Memorandum of Lease Agreement

Dear Ms. Fort:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301 (a) are two (2) originals and two (2) copies of a Memorandum of Lease Agreement, dated June 5, 1997, a primary document as defined in the Board's Rules for the Recordation of Documents. The names and addresses of the parties to the enclosed document are:

Lessor: First Union Rail Corporation
One O'Hare Center
6250 River Road, Suite 5000
Rosemont, IL 60018

Lessee: Toledo, Peoria & Western Railway Corp.
1 Railroad Avenue
Cooperstown, NY 13326

A description of the railroad equipment covered by the enclosed document is set forth on Exhibit A, as attached to such Memorandum.

Also enclosed is a check in the amount of \$24.00 payable to the order of the Surface Transportation Board covering the required recordation fee. Kindly return one (1) stamped original of the enclosed document to the undersigned.

Very truly yours,

A handwritten signature in cursive script, appearing to read "Kathy Dombrowski".
Kathy Dombrowski
Manager-Documentation

Enclosures

(TPW001/002)

ASSIGN: TPW001/TPW002

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Memorandum of Lease

THIS MEMORANDUM OF LEASE (the "Memorandum") is made and entered into as of this the 5th day of June, 1997, by and between First Union Rail Corporation ("Lessor"), a North Carolina corporation, and Toledo, Peoria and Western Railway Corp. ("Lessee").

W I T N E S S E T H:

The undersigned Lessor and Lessee have entered into that certain Lease Agreement, dated as of June 5th, 1997, whereby Lessor has agreed to lease to Lessee certain railcars being described in more particular on Exhibit A attached hereto, effective as of the date set forth above and subject to the terms, conditions and provisions of said Lease.

IN WITNESS WHEREOF, the parties hereto have each caused this Memorandum to be duly executed under seal by their respective officers duly authorized as of the date and year first above written.

LESSOR:

FIRST UNION RAIL CORPORATION

ATTEST:

By: Richard F. Seymour

Name: RICHARD F. SEYMOUR
Vice President Sales & Marketing

Title: _____

By: Robert C. Hamilton

Name: ROBERT C. HAMILTON

Title: DIRECTOR - DOCUMENTATION Executed on this 27th day of Sept, 1997.

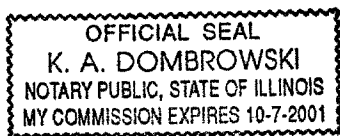
[CORPORATE SEAL]

STATE OF ILLINOIS

COUNTY OF COOK

I, K. A. DOMBROWSKI, a Notary Public in and for said state and county, certify that RICHARD F. SEYMOUR personally appeared before me this day and acknowledged his due execution of the foregoing Memorandum of Lease.

WITNESS my hand and official stamp or seal, this 29th day of September, 1997.



K. A. Dombrowski
Notary Public

My Commission Expires:

10/7/2001
(Notary Public)

LESSEE:

TOLEDO, PEORIA AND WESTERN RAILWAY CORP.

ATTEST:

By: [Signature]

Name: _____

Title: _____

President

By: [Signature]

Name: W. H. Mattem

Title: VP Administration PWSW

Executed on this 15th day of Sept., 1997.

[CORPORATE SEAL]

STATE OF New York

COUNTY OF Otsego

I, Diane Miller, a Notary Public in and for said state and county, certify that Walker Rich personally appeared before me this day and acknowledged his due execution of the foregoing Memorandum of Lease Agreement.

WITNESS my hand and official stamp or seal, this 15th day of September, 1997.

Diane Miller
Notary Public

My Commission Expires:

5/31/98
(Notary Public)

DIANE MILLER
Notary Public, State of New York
No. 4768866
Qualified in Chenango County
Commission Expires May 31, 1998

EXHIBIT A
to
Memorandum of Lease

CAR INITIAL	CAR NUMBER
NOKL	829200
NOKL	829201
NOKL	829202
NOKL	818198
NOKL	818200
NOKL	818201
NOKL	818202
NOKL	818203
NOKL	818204
NOKL	818205
NOKL	818206
NOKL	822141
NOKL	822142
NOKL	822143
NOKL	822144
NOKL	822145
NOKL	822146
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NOKL	820859
NOKL	820863
NOKL	820865
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NOKL	820870
NOKL	822206
NOKL	822038
NOKL	821651

CAR INITIAL	CAR NUMBER
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NOKL	822092
NOKL	829205
NOKL	821029
NOKL	821030
NOKL	821038
NOKL	821048
NOKL	821054
NOKL	821058
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NOKL	824505
NOKL	824506
NOKL	824507
NOKL	824513
NOKL	824518
NOKL	824522
NOKL	824523
NOKL	824525

EXHIBIT A
to
Memorandum of Lease

CAR INITIAL	CAR NUMBER
NOKL	824527
NOKL	824528
NOKL	824530
NOKL	824535
NOKL	824537
NOKL	824538
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NOKL	824578

CAR INITIAL	CAR NUMBER
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NOKL	824580
NOKL	824581
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